Government of the District of Columbia Office of the Chief Financial Officer



Jeffrey S. DeWitt Chief Financial Officer

MEMORANDUM

TO: The Honorable Phil Mendelson

Chairman, Council of the District of Columbia

FROM: Jeffrey S. DeWitt

Chief Financial Offic

DATE: November 15, 2016

SUBJECT: Fiscal Impact Statement - "DCRA Infractions Fine Increase

Amendment Act of 2016"

REFERENCE: Bill 21-291, Committee Print provided to the Office of Revenue

Analysis on November 1, 2016

Conclusion

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill. The bill will increase general fund revenues by \$458,003 in fiscal year 2017 and \$2.7 million over the four-year financial plan.

Background

The bill doubles the fines for certain infractions issued by the Department of Consumer and Regulatory Affairs (DCRA) including those for: willful violations of housing regulations¹, failure to secure or repair an unsafe structure, attempting to repair after authorization period has expired, allowing a nuisance on land that affects public health comfort or safety, failure to maintain an office or agent in the District, working without a permit, exceeding scope of a permit, failure to remove hazardous materials, failure to comply with terms of a stop work order, removal of a posted stop work order, and failure to comply with a posted "unsafe to use" notice. The bill also increases all DCRA fines in accordance with the Consumer Price Index every two years beginning on January 1, 2017.

Financial Plan Impact

Funds are sufficient in the fiscal year 2017 through fiscal year 2020 budget and financial plan to implement the bill. Doubling the fines outlined in the bill and indexing all DCRA fines to inflation will increase non-tax general fund revenues by \$458,003 in fiscal year 2017 and \$2.7 million over the four-year financial plan.

¹ DCMR 16-3305.1(a-d), 16-3305.1(q), 16-3306.1.1(a-f).

The Honorable Phil Mendelson

FIS: "DCRA Infractions Fine Increase Regulation Amendment Act of 2016," Bill 21-291, Committee Print provided to the Office of Revenue Analysis on November 1, 2016.

Estimated Fiscal Impact of "DCRA Infractions Fine Increase Regulation Amendment Act of 2016" FY 2017-FY 2020					
F1 2017-F1 2020					
	FY 2017	FY 2018	FY 2019	FY 2020	TOTAL
Additional General					
Fund Revenue	\$458,003	\$641,204	\$752,728	\$865,137	\$2,717,072